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Convention to Combat Desertification

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First Session
Rome, 29 Septembe - 10 October 1997
Agenda item 7 (e)

GLOBAL MECHANISM: COMPILATION OF REVISED OFFERS OF INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT (IFAD) AND UNITED NATIONS DEVELOPMENT PROGRAMME (UNDP)

Note by the Secretariat

At its resumed tenth session, the Intergovernmental Negotiating Committee for Desertification (INCD) agreed to certain amendments to paragraph 4 of section A, to Appendix I of document ICCD/COP(1)/5. In this connection, paragraph 4(e) of section A should read as follows:

> "Guide and directs, as requested [and as appropriate], the channelling and allocation of resources mobilized for the purpose of the Convention, including [its own] resources made available to it for its functioning and activities [,as defined in Section A of this Appendix,] from bilateral and multilateral sources through the host and other organizations, in [a continuous,] [an adequate,] predictable and timely fashion to local, national, subregional and regional levels for the implementation of action programmes, projects and activities to combat desertification and/or mitigate the effects of drought in affected developing country Parties, particularly in Africa."

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Rome, 29 September-10 October 1997
Agenda item 7 (e)

GLOBAL MECHANISM: COMPILATION OF REVISED OFFERS OF INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT (IFAD) AND UNITED NATIONS DEVELOPMENT PROGRAMME (UNDP)

Note by the secretariat

I. INTRODUCTION

1. Article 21, paragraph 6, of the Convention requires the Conference of the Parties (COP) at its first session to "make appropriate arrangements with the organization it has identified to house the Global Mechanism for the administrative operations of such Mechanism, drawing to the extent possible on existing budgetary and human resources".

2. In operative paragraph 2 of its decision 10/_, taken at its resumed tenth session, the Intergovernmental Negotiating Committee for Desertification (INCD) accordingly requested the secretariat to develop proposals on the administrative and operational modalities of the Global Mechanism (GM) for consideration and adoption by the COP at its first session. This was to be done in consultation with IFAD and UNDP, the two institutions that the INCD, in its decision 10/3, invited to make the revised offers to house the Global Mechanism contained in Appendices II and III of document ICCD/COP(1)/5.

3. In response to this request, and after consultation with IFAD and UNDP, the Annex to this document contains proposals for the administrative and operational modalities of the Global Mechanism under two scenarios: housing by IFAD and housing by UNDP.

II. SCOPE OF PROPOSALS ON ADMINISTRATIVE AND OPERATIONAL MODALITIES

4. Part B of Appendix I to document ICCD/COP(1)/5 lists the criteria that the INCD recommended to the COP for selecting an organization to house the Global Mechanism. Sections 2 and 3 of Part B deal respectively with the relationship of the Global Mechanism to the COP and with administrative and other support. These two sections define, in effect, the administrative and operational modalities to be considered, including the following categories:

(a) status of the Global Mechanism within the institution, including organizational and administrative arrangements to ensure accountability to the Conference and responsiveness to Conference guidelines;

(b) modalities of Global Mechanism accountability to the Conference and reporting on Global Mechanism activities;

(c) procedures for the Conference to enter into agreements with the institution regarding Global Mechanism functions and modalities, including the nature, form and timing;

(d) administrative infrastructure available to support activities of the Global Mechanism, including location, office space, personnel, financial, communications, information management and field office frameworks;

(e) modalities of staffing the Global Mechanism; and

(f) projected costs of operation of the Global Mechanism, the extent to which the institution would absorb them and the nature of charges to the Conference of the Parties for costs not absorbed.

II. PRESENTATION OF PROPOSALS

5. The first column of the Annex closely follows the above categories in structuring the two sets of proposals for the administrative and operational modalities of the Global Mechanism. In summarizing the projected costs of operation of the Global Mechanism, it distinguishes between costs in 1998, when financing from the normal Convention budget will not be possible, and costs in 1999. It also adds an item on the possible modalities of receiving, segregating and disbursing resources made available to the Global Mechanism for its functioning and activities from bilateral and multilateral sources through the host organization and other organizations. This could be important if the COP approved some version of paragraph 4 (e) of Part A of Appendix I to document ICCD/COP(1)/5 along the lines of addendum 1 to that document.

6. The second and third columns of the Annex provide details of administrative and operational modalities under the two housing scenarios. They draw largely on the revised offers of IFAD and UNDP as contained in Appendices II and III of document ICCD/COP(1)/5 with appropriate cross references to avoid duplication. They also incorporate any new information that IFAD or UNDP provided in the course of consultations on this document.

7. The third column, building on the scenario of UNDP housing, reflects the following UNDP views as communicated in a memorandum to the secretariat dated 5 September 1997:

> "We do not think it is appropriate or even possible at this point in time to elaborate in great detail the administrative and operational modalities of the GM since these will depend on the hosting arrangement selected by the COP. Because of this and the uncertainty regarding paragraph 4 relating to the functions of the GM (on resource mobilization), it is our view that specific details such as the administrative structures, number of staff and their grades, location and office space, etc. should await the decision on the functions and hosting arrangements."

ANNEX

IFAD and UNDP Proposals Regarding Administrative/Operational Modalities of Global Mechanism (GM)

MODALITIES	IFAD PROPOSALS	UNDP PROPOSALS
Status of GM within institution	Separate identity but organic part of IFAD structure per para. 37 1/	Clearly identifiable status but linked to other UNDP units per section 3.1.1 2/
Accountability to COP	GM guided by COP; GM Managing Director, responsible to COP through IFAD President and appointed in conjunction with COP Bureau, per paras. 32, 40, 41	GM activities based on COP guidance with UNDP Board kept fully informed per section 3.2
Reporting to COP	Managing Director reports fully to COP on behalf of IFAD President as described in para. 32; reports cover IFAD as well as strictly GM activities	Based on relevant articles of Convention; includes account of UNDP activities as host institution. See section 3.2
Agreements with COP	Housing arrangements to be worked out and agreed with COP per para. 38	Memorandum of understanding between UNDP and COP to be submitted to UNDP Executive Board in January 1998 under procedures described in section 3.3
Location of GM	IFAD headquarters in Rome per para. 37	Preferably at UNDP headquarters in New York but other options possible, including UNDP offices in Brussels, Bonn, Geneva and Copenhagen (see sect. 4.2)
Field office support for GM activities	Through UN resident coordinators representing IFAD in field, and FAO field services (see para. 39)	Provided by UNDP country offices, environmental focal points and sub-regional resource centres, as well as UN Volunteers (see sect. 4.2)

MODALITIES	IFAD PROPOSALS	UNDP PROPOSALS
Administrative infrastructure	Office space provided; personnel, financial, communications and information management infrastructure of IFAD available to support GM, per para. 38	Office space provided; personnel, financial, communications and information management infrastructure of UNDP available to support GM, per section 4.2
Staffing modalities	9 professional and 5 general service staff members, in four sections as described in para. 44; 3/ all staff recruited directly	5 or 6 professional staff 4/ and some support staff; positions filled by direct recruitment or by secondment from multilateral and bilateral organizations (see sects. 4.1 and 4.3)
Costs in 1998	Budget of $3.3 million broken down as described in para. 45 and tables 1.1-1.4 of Annex II	Budget of $2.8 million broken down as described in Annex 2
Financing of 1998 budget		From contributions from Parties and one-time contribution of $1 million from UNDP's global programme resources, per section 4.1
Costs in 1999	Initial estimate of $2.7 million broken down as described in para. 45 and tables 2.1-2.4 of Annex II; revised estimates to be presented at COP2	To be elaborated on basis of experience during first year of operation per section 4.1
Financing of 1999 and later year budgets	Normal operations financed by Convention budget per para 46; any additional resources from cost-sharing and cost-recovery arrangements to be held and accounted for in GM Special Account described in para. 47	Normal operations financed by Convention budget per section 4.1 with complimentary financing from specific voluntary contributions and cost-recovery arrangements

MODALITIES	IFAD PROPOSALS	UNDP PROPOSALS
Treatment of resources voluntarily made available for GM functioning and activities	Administered by IFAD in special account, with initial capitalization of $10 million from IFAD grant, utilized as directed by GM management with review by technical advisory group chaired by GM managing director (see para. 20)	Arrangements to be worked out, per section 4.1

Notes

1/ References in the second column are to paragraphs of Appendix II of document ICCD/COP(1)/5.

2/ References in the third column are to sections of Appendix III of document ICCD/COP(1)/5.

3/ Sections would include (a) a management section consisting of the Managing Director (D-2) and an administrative assistant (G-7); (b) a section supporting the mobilization and channeling of financial resources consisting of a team leader (P-5) also responsible for relations with multilateral organizations, a resource strategist (P-4) in charge of relations with bilateral donors, a resource strategist (P-4) responsible for relations with non-governmental organizations and the private sector, an associate resource strategist (P-2) and a secretary (G-3); (c) a section on information, knowledge and advisory services consisting of a team leader (P-5) also responsible for analysis of financial flows, an information network coordinator (P-4), an associate resource analyser (P-2), an administrative assistant (G-6) and a secretary (G-2) and (d) an administration and finance section consisting of an administrative and finance office (P-4) and an administrative assistant (G-5).

4/ Possibly involving a head (manager), a private sector/investment expert, a specialist is multi-bi funding arrangements, a management information specialist and one advocacy/public relations expert.

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I. INTRODUCTION

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2. In operative paragraph 2 of its decision 10/18, taken at its resumed tenth session, the Intergovernmental Negotiating Committee for Desertification (INCD) accordingly requested the secretariat to develop proposals on the administrative and operational modalities of the Global Mechanism (GM) for consideration and adoption by the COP at its first session. This was to be done in consultation with IFAD and UNDP, the two institutions that the INCD, in its decision 10/3, invited to make the revised offers to house the Global Mechanism contained in Appendices II and III of document ICCD/COP(1)/5.

3. In response to this request, and after consultation with IFAD and UNDP, the Annex to this document contains proposals for the administrative and operational modalities of the Global Mechanism under two scenarios: housing by IFAD and housing by UNDP.

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II. SCOPE OF PROPOSALS ON ADMINISTRATIVE AND OPERATIONAL MODALITIES

4. Part B of Appendix I to document ICCD/COP(1)/5 lists the criteria that the INCD recommended to the COP for selecting an organization to house the Global Mechanism. Sections 2 and 3 of Part B deal respectively with the relationship of the Global Mechanism to the COP and with administrative and other support. These two sections define, in effect, the administrative and operational modalities to be considered, including the following categories:

(a) status of the Global Mechanism within the institution, including organizational and administrative arrangements to ensure accountability to the Conference and responsiveness to Conference guidelines;

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(c) procedures for the Conference to enter into agreements with the institution regarding Global Mechanism functions and modalities, including the nature, form and timing;

(d) administrative infrastructure available to support activities of the Global Mechanism, including location, office space, personnel, financial, communications, information management and field office frameworks;

(e) modalities of staffing the Global Mechanism; and

(f) projected costs of operation of the Global Mechanism, the extent to which the institution would absorb them and the nature of charges to the Conference of the Parties for costs not absorbed.

III. PRESENTATION OF PROPOSALS

5. The first column of the Annex closely follows the above categories in structuring the two sets of proposals for the administrative and operational modalities of the Global Mechanism. In summarizing the projected costs of operation of the Global Mechanism, it distinguishes between costs in 1998, when financing from the normal Convention budget will not be possible, and costs in 1999. It also adds an item on the possible modalities of receiving, segregating and disbursing resources made available to the Global Mechanism for its functioning and activities from bilateral and multilateral sources through the host organization and other organizations. This could be important if the COP approved some version of paragraph 4 (e) of Part A of Appendix I to document ICCD/COP(1)/5 along the lines of addendum 1 to that document.

6. The second and third columns of the Annex provide details of administrative and operational modalities under the two housing scenarios. They draw largely on the revised offers of IFAD and UNDP as contained in Appendices II and III of document ICCD/COP(1)/5 with appropriate cross references to avoid duplication. They also incorporate any new information that IFAD or UNDP provided in the course of consultations on this document.

7. The third column, building on the scenario of UNDP housing, reflects the following UNDP views as communicated in a memorandum to the secretariat dated 5 September 1997:

> "We do not think it is appropriate or even possible at this point in time to elaborate in great detail the administrative and operational modalities of the GM since these will depend on the hosting arrangement selected by the COP. Because of this and the uncertainty regarding paragraph 4 relating to the functions of the GM (on resource mobilization), it is our view that specific details such as the administrative structures, number of staff and their grades, location and office space, etc. should await the decision on the functions and hosting arrangements."

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Accountability to COP	GM guided by COP; GM Managing Director, responsible to COP through IFAD President and appointed in consultation with COP Bureau, per paras. 32, 40, 41	GM to base activities on overall strategic guidance from, and be accountable to, COP; UNDP to assume responsibility for financial and administrative management and reporting on use of resources made available for GM's work; UNDP to keep its Executive Board informed (see section 3.2)
Reporting to COP	Managing Director reports fully to COP on behalf of IFAD President as described in para. 32; reports cover IFAD as well as strictly GM activities	The GM shall report to COP on its activities; the report shall include an account of UNDP activities in support of it (see section 3.2)
Agreements with COP	Housing arrangements to be worked out and agreed with COP per para. 38	Memorandum of understanding between UNDP and COP to be submitted to UNDP Executive Board in January 1998 under procedures described in section 3.3; UNDP proposes that COP designate appropriate contacts to negotiate on its behalf housing modalities with UNDP in order to render GM functional as soon as possible (see section 3.3)

MODALITIES	IFAD PROPOSALS	UNDP PROPOSALS
Location of GM	IFAD headquarters in Rome per para. 37	Preferably at UNDP headquarters in New York but other options possible, including UNDP offices in Brussels, Bonn, Geneva and Copenhagen (see section 4.2)
Field office support for GM activities	Through UN resident coordinators representing IFAD in field, and FAO field services (see para. 39)	Provided by 134 UNDP country offices/Resident Coordinators managed by UNDP, environmental focal points and subregional resource centres, as well as UN Volunteers (see section 4.2)
Administrative infrastructure	Office space provided; personnel, financial, communications and information management infrastructure of IFAD available to support GM, per para. 38	Office space provided; personnel, financial, communications and information management infrastructure of UNDP available to support GM, per section 4.2, including Development Cooperation Analysis System (DCAS), a multilingual, computerized database on funding information; GM could also ride on existing UNDP agreements with service providers in order to achieve economies of scale
Staffing modalities	9 professional (including 2 optional associate professional officers, if provided by donors) and 5 general service staff members, consisting of management and three teams as described in para. 44; 3/ all staff recruited directly through competitive procedures; secondment would also be considered within this procedure	5 or 6 professional staff 4/ and some support staff; positions filled by direct recruitment or by secondment from multilateral and bilateral organizations (see sections 4.1 and 4.3)

MODALITIES	IFAD PROPOSALS	UNDP PROPOSALS
Costs in 1998	Budget of $3.3 million broken down as described in para. 45 and tables 1.1-1.4 of Annex II	Budget of $2.8 million broken down as described in Annex 2
Financing of 1998 budget	In view of the Convention's budgetary situation for 1998, voluntary contributions should be placed in the GM Special Account at IFAD (para. 47) along with allocations by COP	From contributions from Parties and one-time contribution of $1 million from UNDP's global programme resources, per section 4.1
Costs in 1999	Initial estimate of $2.7 million broken down as described in para. 45 and tables 2.1-2.4 of Annex II; revised estimates to be presented at COP2	To be elaborated on basis of experience during first year of operation per section 4.1
Financing of 1999 and later year budgets	Normal operations financed by Convention budget per para 46; any additional resources from cost-sharing and cost-recovery arrangements to be held and accounted for in GM Special Account described in para. 47	Normal operations financed by Convention budget per section 4.1 with complementary financing from specific voluntary contributions and cost-recovery arrangements
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Notes

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